

1.0 INTRODUCTION

1.1 PURPOSE

A Final Environmental Impact Report (EIR) has been prepared for the consideration of a new lease by the California State Lands Commission (CSLC) for the Chevron El Segundo Marine Terminal Lease Renewal Project (Project). The Project involves Chevron Products Company (the Applicant) entering into a new 30-year lease (current lease PRC 5574.11), beginning in 2010 and ending in 2040, of tide and submerged state lands offshore of the city of El Segundo, Los Angeles County, for continued operations at the Chevron El Segundo Marine Terminal (Marine Terminal). The Marine Terminal, which is part of the adjacent Chevron El Segundo Refinery (Refinery), has been in operation since 1911, when the Refinery that it serves opened. The proposed Project would involve continuing current operations with a one percent increase in throughput and implementing future maintenance activities as needed at the Marine Terminal through the year 2040. The Refinery is not located on State lands and is not subject to a lease from the CSLC.

The Final EIR consists of the August 2010 Public Draft EIR, comments received during the 60-day public comment period, responses to those comments, and changes to the text of the Draft EIR. The Final EIR references and incorporates the Draft EIR. Both the Draft and Final EIR may also be viewed electronically, in Word or Acrobat format, on the CSLC website.

This Final EIR has been prepared for the CSLC pursuant to the California Environmental Quality Act (CEQA) (California Public Resources Code sections 21000 et seq.) and in accordance with the Guidelines for the Implementation of the California Environmental Quality Act (California Code of Regulations, Title 14, sections 15000 et seq.). The Guidelines stipulate that an EIR must be prepared for any project that may have a significant impact on the environment. The Chevron El Segundo Marine Terminal Lease Renewal Project is a “project” as defined by the Guidelines. Upon preliminary review, the CSLC determined that the Project may have a significant adverse impact on the environment and, therefore, an EIR is required.

The CSLC, as the Lead Agency for this proposal, is required by section 15089 of the CEQA Guidelines to prepare a Final EIR. The Final EIR will be used by the CSLC as part of its approval process, including setting the conditions of the lease agreement, and incorporating mitigation measures for project implementation. A Mitigation Monitoring

1 and Reporting Program, inclusive of revisions following the publication of the Draft EIR, is
2 attached to this document as Attachment A.

3 **1.2 ORGANIZATION OF FINAL EIR**

4 As required by section 15132 of the Guidelines, the Final EIR consists of the following
5 elements:

- 6 • The Draft EIR or a revision of the draft;
- 7 • A list of persons, organizations, and public agencies that commented on the Draft
8 EIR (see Section 2);
- 9 • Comments and recommendations received on the Draft EIR (see Section 3);
- 10 • Responses to significant environmental points raised in the review and consultation
11 process (see Section 3); and
- 12 • Revisions to the Draft EIR (Section 4 and Attachment A).

13 Additional information is also provided, including a description of the public hearing
14 (Section 2).

15 **1.3 DECISION-MAKING PROCESS**

16 The CSLC is the Lead Agency for this Final EIR because the Commission has
17 jurisdiction over the approximately 221-acre (89.4-hectare) footprint of state lands
18 leased to Chevron by the CSLC. The CSLC will use the Final EIR in its decision-
19 making process in determining whether or not to issue a lease of State lands for
20 continued operation of the proposed Project. The CSLC must certify that:

- 21 • The Final EIR has been completed in compliance with CEQA;
- 22 • The Final EIR was presented to the CSLC in a public meeting and the CSLC
23 reviewed and considered the information contained in the Final EIR prior to
24 considering the proposed Project; and
- 25 • The Final EIR reflects the CSLC's independent judgment and analysis
26 (Guidelines section 15090).

1 In conjunction with certification of the Final EIR, the CSLC must prepare one or more
2 written findings of fact for each significant environmental impact identified in the
3 document. These findings must either state that:

- 4 • The Project has been changed (including adoption of mitigation measures) to
5 avoid or substantially reduce the magnitude of the impact;
- 6 • Changes to the Project are within another agency's jurisdiction and have been or
7 should be adopted; or
- 8 • Specific considerations make mitigation measures or alternatives infeasible.

9 If any of the impacts identified in the EIR cannot be reduced to a level that is less than
10 significant, the CSLC may issue a Statement of Overriding Considerations for approval
11 of the project if specific social, economic, or other factors justify a project's unavoidable
12 adverse environmental effects. If the CSLC decides to approve a project for which a
13 Final EIR has been prepared and certified, the CSLC will issue a Notice of
14 Determination.

15 The proposed Project does not include expansion of existing facilities or construction of
16 new facilities. The Marine Terminal that is subject of this EIR has been in operation at
17 its current location since 1911. Chevron performs ongoing maintenance, repair,
18 replacement, and in some cases removal operations (e.g., the removal of Berths 1 and
19 2) at the Terminal to keep the Terminal's pipelines and associated facilities in
20 compliance with current engineering and safety codes. The CSLC Marine Facilities
21 Division staff is responsible for ensuring that Chevron is in compliance with CSLC
22 Marine Terminal Oil Pipelines regulations (see Title 2, California Code of Regulations,
23 sections 2560, et seq.). Section 2560(b) states in part that the purpose of the CSLC
24 regulations is "to provide the best achievable protection of the public health and safety
25 and of the environment by using the best achievable technology in providing for marine
26 terminal oil pipeline integrity."

27 The existing facilities, and any future maintenance, repair, and replacement activities,
28 are currently subject to existing, or may be subject to new, permits, approvals, and
29 regulatory requirements.

1 In addition to any lease issued by the CSLC, the following regulatory agencies and
2 reviewing authorities have granted existing, or may grant new, permits and approvals,
3 and will be reviewing this document:

- 4 • California Coastal Commission (CCC);
- 5 • California Department of Fish and Game Office of Spill Prevention and Response
6 (OSPR);
- 7 • California Department of Transportation (Caltrans);
- 8 • Los Angeles Regional Water Quality Control Board (LARWQCB); and
- 9 • South Coast Air Quality Management District (SCAQMD).

10 For example, the CCC does not currently need to issue a permit for Marine Terminal
11 operations. However, the CCC staff indicates in its comment letter that an increase in
12 throughput and vessel calls at the El Segundo Marine Terminal could be considered a
13 “change in the intensity of use” and, therefore, may constitute “development” as defined
14 in Section 30106 of California Coastal Act (Public Resources Code 30000 et seq.). Any
15 development proposed within the coastal zone requires a coastal development permit
16 (CDP) (Coastal Act Section 30600). Additionally, any future pipeline or other facility
17 replacements or repairs at the Marine Terminal may require a CDP in addition to any
18 transportation permits required by Caltrans for transportation of heavy construction
19 equipment and/or materials that would require the use of oversized-transport vehicles
20 on State highways.